

New York City Democratic politician and “labor” leader pleads guilty to corruption charges

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Brian McLaughlin, who before his arrest in 2006 was the head of the million-member New York City Central Labor Council, the umbrella group encompassing 400 separate union locals, pleaded guilty in federal court on March 7 to a lengthy list of racketeering charges involving the theft of more than \$2.2 million.

The 55-year-old McLaughlin, who ascended to the top union post nearly 20 years ago and also served for 14 years as a New York State Assemblyman from Queens, exemplified the close ties between the union bureaucracy and the Democratic Party. During the 1995-2006 period, while he was looting his own union as well as his Assembly campaign committee, taking tens of thousands of dollars in bribes and kickbacks and using union members as his personal servants, he held both his union and government jobs and at one point was considered a credible Democratic candidate for mayor of New York City.

So extensive was the list of McLaughlin’s thievery that it took him a full hour to recite his illegal activities while entering his plea in the Manhattan courtroom. The twenty-one separate criminal acts included charges that he took tens of thousands of dollars in kickbacks from companies in exchange for providing union members as unpaid labor; that he created no-show jobs within both the Central Labor Council and on his Assembly staff, in exchange for kickbacks from their salaries for these nonexistent positions; and that he took money from his campaign committee and fraudulently disguised personal expenditures as political.

McLaughlin’s contempt for the union members he was supposedly representing was undisguised. According to a press account of his guilty plea, members of his home local of the International

Brotherhood of Electrical Workers were used to take his dog to the veterinarian, to hang Christmas lights, shovel snow and look for rodents in his basement, among other things.

Among the charges was that McLaughlin defrauded the Electchester Athletic Association, created by residents of the Electchester housing development in Queens to fund youth sports programs, of more than \$95,000. McLaughlin created two bank accounts for this association, using one of them for himself. According to the indictment, donations to this fund were solicited with a form concluding with the message, now somewhat ironic: “A child in sports stays out of the courts!”

More garden-variety corruption included taking bribes from street-lighting contractors and stealing from his local Democratic political club.

The systematic theft of more than two million dollars was used to fund a lavish lifestyle. McLaughlin reportedly bought his wife an \$80,000 Mercedes Benz and renovated his \$1.6 million home near the Hamptons on Long Island. He also had homes in Queens and Albany to maintain. The deposed union official is expected, as part of his plea deal, to give up the car and the Long Island home.

McLaughlin remains free on \$250,000 bail. In exchange for his guilty plea to one count of racketeering and one count of makes false statements, the government has agreed to drop other charges and to accept a sentence under federal guidelines of between 8 and 10 years, although US District Judge Richard Sullivan told the defendant that the law provides for a maximum of 50 years.

News accounts indicated that McLaughlin declined to

offer a ritual expression of regret or apology. When asked if he had anything to say to the union membership, he replied, “I don’t have any comment right now.” Perhaps he assumed, correctly, that no one would believe him.

More significant than McLaughlin’s silence, however, was the response of the Central Labor Council to his guilty plea. The union bureaucrats issued a perfunctory statement saying they had made changes to increase accountability. The statement then added: “That being said, we wish the McLaughlin family well at this difficult time.”

The expression of sympathy demonstrates that this case is far more than one individual’s greed and corruption. McLaughlin may have been particularly reckless in his behavior, but he is by no means an aberration. Less than a decade ago, District Council 37 of the American Federation of State, County and Municipal Workers, the largest city union in New York, was wracked by a massive corruption crisis which saw heads roll and prison terms meted out.

McLaughlin’s mentality and his behavior were shaped in a lifetime of service within this criminally corrupt labor bureaucracy. These officials look upon themselves as the junior partners of the ruling elite. Their job is maintaining “labor peace” while workers are thrown onto the scrap heap of unemployment and the gap between the super-rich and the mass of working people grows to indescribable dimensions. McLaughlin’s 11 years of thievery coincided almost exactly with the years of the enormous stock market boom and the fabulous enrichment of a tiny and parasitic social layer in the financial services industry.

While McLaughlin’s combined salaries for state and union jobs totaled \$263,000—more than five times that of the electricians he once represented—as a reliable “labor lieutenant of capital,” he no doubt envied and resented the young investment bankers taking home millions of dollars in bonuses. He decided to make up some of the difference. He was only doing the equivalent of what numerous Washington Congressmen have done in recent years, while the whole Ponzi-like speculative frenzy has gripped the US economy.

The McLaughlin case is thus a fitting commentary on both the nature of the pro-capitalist trade unions, as well as the whole profit system and big business political setup with which they are intimately linked.



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